TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 119 – HB 641

February 21, 2021

SUMMARY OF BILL: Creates a lifetime sportsman license for adopted children who reside in this state. Requires any such child's legal guardian to apply for the license on the child's behalf within 36 months immediately preceding the date of the child's adoption. Such child must be under 14 years of age on the date of application. Establishes that the license remains valid through the life of the license holder even upon becoming a nonresident. The fee is a one-time payment of \$200.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$6,000/FY21-22 and Subsequent Years

Assumptions:

- Pursuant to Tenn. Code Ann. § 70-2-201(g)(3)(A), a child less than three years of age is charged \$200 for a lifetime sportsman license; therefore, there will be no impact on licenses for children less than three years of age.
- Based on information provided by the Department of Children's Services, over the past five fiscal years, the average number of children adopted between the ages of 3 and 13 years of age totals 750 children.
- Pursuant to Tenn. Code Ann. § 70-2-201(g)(3)(A), there are currently three lifetime sportsman's licenses for age groups that these children could currently procure in the absence of this legislation:
 - o 3 years of age through 6 years of age: \$659;
 - o 7 years of age through 12 years of age: \$988; and
 - o 13 years of age through 50 years of age: \$1,976.
- This legislation requires the child's legally designated guardian to apply for this new license on the child's behalf within 36 months immediately preceding the date of the child's adoption.
- It's unknown what percentage of legally designated guardians would apply for this new license. For purposes of assumption, it assumed that at least one percent of such legal guardians will choose to apply for such license on their adopted child's behalf, resulting in at least 8 children holding this new license per year (750 x 1%).
- It is assumed that these 8 legal guardians would have purchased one of the three aforementioned lifetime sportsman's licenses in the absence of this legislation.
- Number of children receiving this new license by age group:
 - o 3 years of age through 6 years of age: 4 children;
 - o 7 years of age through 12 years of age: 3 children; and

- o 13 years of age through 50 years of age: 1 child.
- A recurring decrease in state revenue to the Wildlife Resources Fund (WRF) exceeding $5,976 \{ [4 \text{ x } (\$659 \$200)] + [3 \text{ x } (\$988 \$200)] + [1 \text{ x } (\$1,976 \$200)] \}.$
- Pursuant to Tenn. Code Ann. § 70-2-104(f), the TWRA is required to be reimbursed for lost revenue resulting from the issuance of free or partially discounted combination hunting and fishing licenses created by statute on or after January 1, 2017, in an amount equal to the discounts received.
- Reimbursement in the full amount will be paid from the General Fund to WRF; the net impact to the WRF will be not significant.
- A recurring increase in state expenditures from the General Fund exceeding \$5,976 in FY21-22 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Bojan Savic, Interim Executive Director

Bojan Davic

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